

# LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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**DATE:** JUNE 11, 2006

**FROM:** MICHAEL TUERPE, LAFCO Analyst

**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT: Agenda Item #4:** LAFCO 3051 – Reorganization to Include Annexation to Running Springs Water District and Detachment from County Service Area 38

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## **INITIATED BY:**

District Resolution, Running Springs Water District

## **RECOMMENDATION:**

Staff is recommending that the Commission approve LAFCO 3051 by taking the following actions:

1. Determine that LAFCO 3051 is statutorily exempt from environmental review, and direct the Clerk to file a Notice of Exemption within five (5) days of this action.
2. Approve LAFCO 3051, with the standard terms and conditions of approval that include the “hold harmless” clause for potential litigation, continuation of fees, charges, assessments, etc.
3. Waive protest proceedings, as permitted by Government Code Section 56663 with 100% landowner consent.
4. Adopt LAFCO Resolution #2926, setting forth the Commission’s findings and determinations concerning this proposal.

## **BACKGROUND:**

LAFCO 3051 is a proposal submitted by the Running Springs Water District (District) through adoption of a resolution of initiation to annex approximately 2.34 +/- acres. The proposal submitted by request of the landowners seeks to provide a water system and fire protection to three parcels (one parcel contains a single-family residence and two parcels are currently vacant but proposed for residential uses). County Service Area 38 (CSA 38), which currently provides fire protection services, will be detached from the area as a function of this reorganization.

The reorganization, as initiated by the District, is generally located in the southern portion of the Running Springs community, north of the intersection of Fredalba Road and Ponderosa Pike in the area commonly known as Smiley Park. The area is in the central portion of the Running Springs Water District sphere of influence. Location and vicinity maps are included as Attachment #1 to this report.

The study area is within the service area of the Smiley Park Country Club (Smiley Park), a mutual water purveyor that purchases its water from the District. However, the study area is up slope from Smiley Park's facilities, and it has neither adequate water supply nor the infrastructure to deliver water to these properties. This challenge has resulted in the District serving 19 homes immediately to the west of the study area, and this proposal will provide service through the existing infrastructure from this area. For these reasons, the property owners requested service from the District.

After processing of this application began, the property was sold, and the current owners express their desire to proceed with the application. Smiley Park has no objection to the District serving the reorganization area, as indicated in a letter to the District that is included as a part of Attachment #2.

The following identifies the evaluation of the four primary issues for a reorganization proposal: boundaries, land use, plan for service, and environmental issues.

#### **BOUNDARIES:**

The study area is generally bordered by parcel lines on the west (existing District boundaries), north (partially bordered by existing District boundaries), and east, and by Fredalba Road on the south. It is surrounded by residential and vacant uses.

As indicated on the maps in Attachment #1, this proposal is an easterly extension of the District. To adequately service the developed parcel and develop the two vacant parcels, annexation is needed for the extension of water

service from the District. Furthermore, this proposal will connect two non-contiguous areas of the District that will result in a more logical service boundary. In addition, parcels to the north, east, and south have not requested nor need District services at this time. Thus, staff believes that the reorganization will create a logical and serviceable boundary.

### **LAND USE:**

The study area is currently a combination of residential and vacant lands. The study area has an Improvement Level Designation of IL-1, indicating the need for the full range of municipal services. The County's assigned land use designation for the area is Hilltop/Planned Development (HT/PD-1/1)<sup>1</sup>. The minimum parcel size is 40 acres; however, these are legal parcels and the owners are allowed to build a single dwelling unit on each parcel under current County land use designations. The owners plan to build a single-family residence on each of the two vacant parcels in the near future. Current land use designations allow for subdivision of lots, which could be facilitated by the introduction of a water system. However, there are no building permits or land use applications for the subdivision of parcels in process at this time.

### **PLAN FOR SERVICE:**

The District submitted a Plan for Service as required by law, and the Plan is attached to this report for Commission review as a part of Attachment #2. In general, the Plan for Service and related documents identify the following:

- The District will provide water service upon reorganization. A water main is located approximately 25 feet southerly of the parcels' northern boundaries, on average. As indicated by the water connection map included in Attachment #2, the water main enters from the northeast and traverses southwest through the parcels. The District indicates that it has adequate capacity to service the parcels for domestic use and fire flow.

Currently, only the eastern parcel, 0296-052-04, is developed. The Board of Directors of the District on March 22, 2006 approved an outside service agreement with the owners of the parcel for water service contingent upon reorganization. The owners have paid \$4,398 in connection fees, and upon

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<sup>1</sup> This designation allows a combination of residential, commercial, and/or manufacturing activities that maximize the utilization of natural as well as man-made resources. It also identifies areas suitable for large-scale planned developments and allows cluster type development in order to provide more open space. The minimum parcel size is 40 acres and maximum housing density shall not exceed 14 dwelling units per acre.

annexation, they will pay an additional \$4,993 to the District for the cost of the installation of the water main.

The two vacant parcels, 0296-052-03 and 06, are subject to the same connection and installation fees when development occurs and water service is desired. In addition, there will be a \$30.00 per year Water Standby Charge assessed by the District for the vacant parcels until water connections are completed.

The study area is also within the boundaries of Crestline-Lake Arrowhead Water District (CLAWA), and CLAWA levies a yearly Water Standby Charge for facility repayment and improvements. Each parcel in the study area is currently assessed \$30 annually.

LAFCO staff reviewed the question of the existing special tax charged by CLAWA for payment of its share of the State Water Project with CLAWA staff. CLAWA staff has identified that each parcel in the study area is charged this special tax, which is included on the annual tax bill. The amount of this tax varies from year-to-year, based upon the annual cost determined by the State Department of Water Resources billed to CLAWA. The 2005-06 rate is five cents per \$100 of assessed value. Utilizing the most recent assessment roll, parcel 0296-052-03 would be taxed \$0.97, parcel 04 would be taxed \$48.56, and parcel 06 would be taxed \$1.31.

This proposal is supported by Environmental Health Services, as it will allow for the connection to a public water system.

- Fire protection is currently the responsibility of County Service Area 38, but due to an automatic aid agreement and proximity to the area, Running Springs Fire Department provides first response.

The District will assume the responsibility of fire protection and emergency medical services upon reorganization. The closest District Fire Station is Station #50, which is located at 32151 Hunsaker Way. In addition, Station #51 can respond due to its proximity, located at 31242 Hilltop Blvd. Both stations provide emergency medical services. The stations are approximately 1.9 and 3.2 miles from the annexation area, respectively. A \$65.00 per year Fire Availability Special Tax will be assessed each parcel once it is improved. These revenues, along with the property tax transferred from CSA 38, will fund the delivery of fire protection and emergency medical services.

As required by Commission policy and State law, the Plan for Service submitted by the District indicates that the extension of its services would maintain, and/or exceed, current service levels provided through the County.

**ENVIRONMENTAL ISSUES:**

The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the documents submitted by the District and concludes that the proposed reorganization does not constitute a project under the California Environmental Quality Act [Section 15061 (b) (3)]. Mr. Dodson recommends the Commission adopt a Statutory Exemption and direct the Clerk to file a Notice of Exemption. A copy of Mr. Dodson's response is included as Attachment #3 to this report.

**LANDOWNER CONSENT:**

The Registrar of Voters has verified that the study area is legally uninhabited, and the County Assessor's Office has verified that the study area possesses 100 percent landowner consent to reorganization (included as Attachment #4). To date, staff has not received any written opposition to a waiver of protest proceedings from subject agencies on the proposal; however, this finding will be updated at the hearing. Thus, the Commission may waive the protest proceedings pursuant to Government Code § 56663 (c). Staff is recommending that the Commission approve this proposal, waive further protest proceedings, and direct the Executive Officer to complete the action unless the District or CSA 38 provides written opposition to such a waiver.

**FINDINGS:**

Commission policy and Government Code § 56668 require the following determinations for any change of organization/reorganization proposal:

1. The Registrar of Voters has determined that the study area is legally uninhabited, containing zero registered voters as of May 19, 2006.
2. The County Assessor has determined that the total assessed value within the reorganization area is \$101,713 (\$33,137 – land; \$68,576 - improvements) and that 100 percent of the landowners have consented to the reorganization.
3. The area is within the sphere of influence assigned Running Springs Water District.

4. Legal advertisement of the Commission's consideration has been provided through publications in *The Alpenhorn News* and *The Sun*, newspapers of general circulation in the area. Individual notice has been provided to official and interested agencies, County departments, and those individuals and agencies having requested such notification.
5. Individual notice has been provided to landowners within the reorganization area (totaling one), and to all registered voters (three) and landowners (18) located within roughly 700 feet of the exterior boundaries of the reorganization site (totaling 21) in accordance with State law and adopted Commission policies. To date, no comments or opposition has been received.
6. The County's assigned land use designation for the area is Hilltop/Planned Development (HT/PD-1/1). This designation has a minimum parcel size of 40 acres; however, these are legal parcels and the owners are allowed to build a single dwelling unit on each parcel under current County land use designations.
7. The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the documents submitted by the District and concludes that the proposed reorganization does not constitute a project under CEQA [Section 15061 (b) (3)]. Mr. Dodson recommends that the Commission adopt a Statutory Exemption and direct the Clerk to file a Notice of Exemption. A copy of Mr. Dodson's response is included as Attachment #3.
8. The area in question is presently served by the following local agencies:

County of San Bernardino  
County Service Area 38  
County Service Area 70  
San Bernardino Mountains Community Healthcare District  
Inland Empire Resource Conservation District  
Crestline-Lake Arrowhead Water Agency  
Rim of the World Recreation and Park District

CSA 38 will be detached from the area upon successful completion of the proposal as a function of the reorganization. None of the other agencies are affected as they are regional in nature.

9. The District has submitted a Plan for Service as required by law that indicates that the District can improve the level and range of selected services currently available in the area (See Attachment #2).

10. The study area will benefit from the availability and extension of water service and has benefited from fire and emergency medical services from Running Springs Fire Department.
11. The County adopted a resolution to transfer property tax revenues that will take effect upon completion of this reorganization. This negotiated tax agreement fulfills the requirement of Revenue and Taxation Code § 99.
12. The map and legal description as revised are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

**CONCLUSION:**

Staff supports approval of LAFCO 3051 since the area will benefit from the extension of water service, fire protection, and emergency medical services from the Running Springs Water District.

Attachments

1. Location and Vicinity Maps
2. Running Springs Water District's Application, Plan for Service, and Water Service Documents
3. Response from the Commission's Environmental Consultant, Tom Dodson and Associates
4. Landowner Consent Forms
5. Draft Resolution #2926